

September 2011
Asia Pacific Clean Energy Summit,
Honolulu, Hawai'i

Tim Sawyer, Site Development Manager

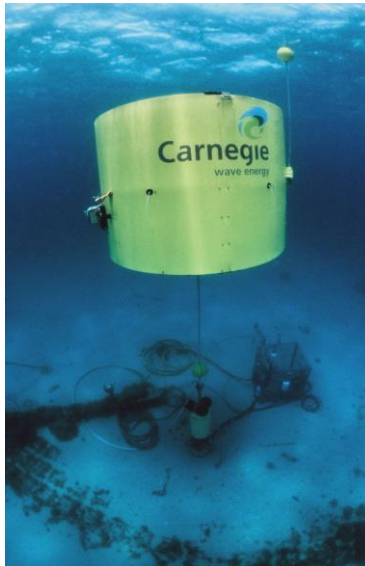


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Carnegie Wave Energy (CWE)

- Australian developer and owner of the CETO wave energy technology
- Australian Stock Exchange (ASX) listed, \$85m market cap
- Raised over \$45m in capital, \$12.5m WA Government LEED funding
- Perth Wave Energy Project at Garden Island, WA
- R&D and IP base in Perth & Fremantle Private Research Facility
- International partners – EDF Energies Nouvelles & DCNS



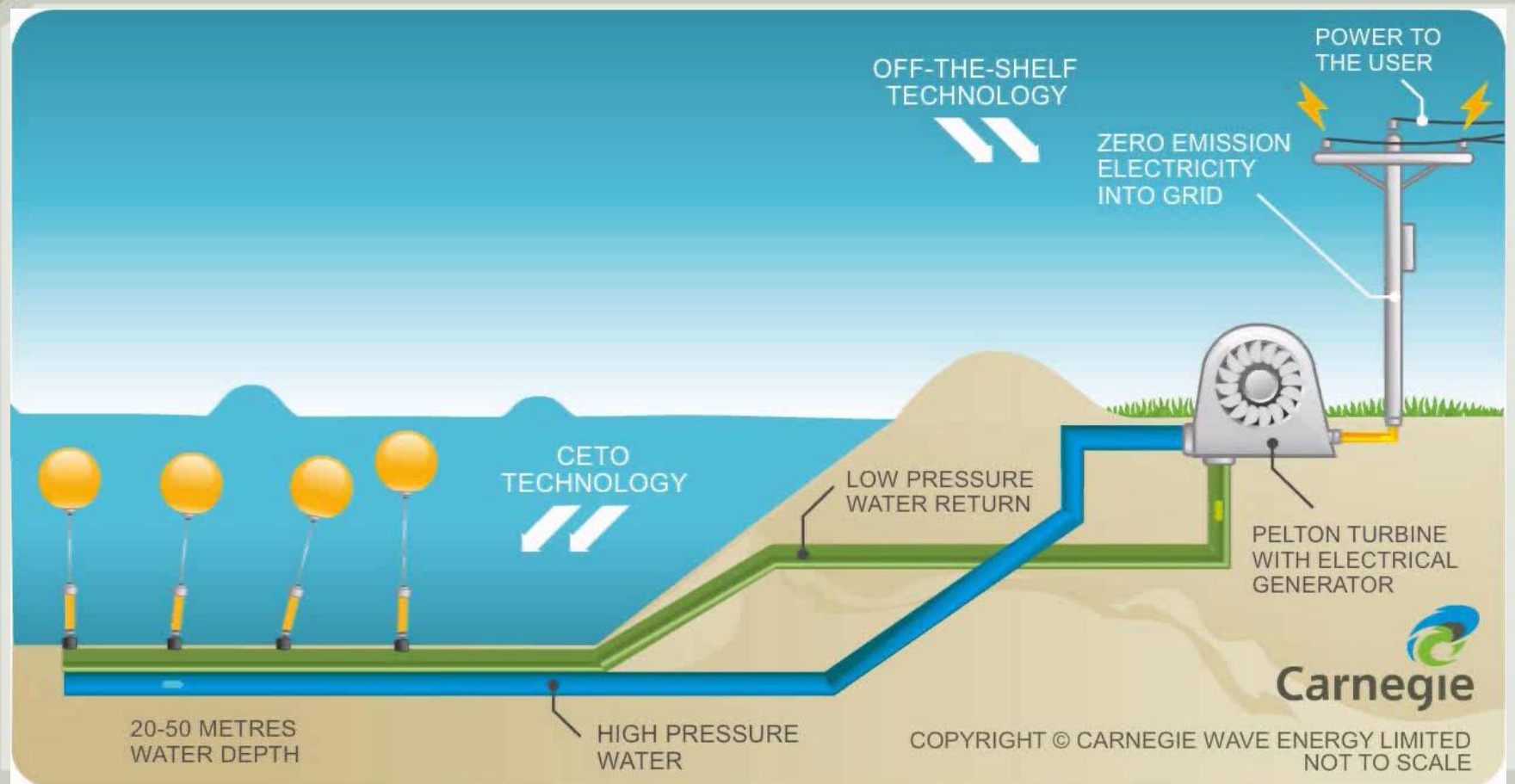
Carnegie's World Class Relationships



- Grant of \$12.5 million for Perth project
- MoU for Perth project collaboration and offtake
- Feasibility study for U.S. Naval Communications base
- Collaboration agreement & concept funding for a 5MW Irish CETO project
- Northern Hemisphere licensee & JV development partner
- \$5m French Govt. funding for Stage 1 Reunion Island project
- Northern Hemisphere EPCM partner
- Grant of \$2 million for Canadian project
- MoU to negotiate power purchase from Perth project
- Preferred bidder for part supply to Water Corporation's Southern Seawater Desalination Plant in WA
- Desalination research project with funding granted

CETO Concept

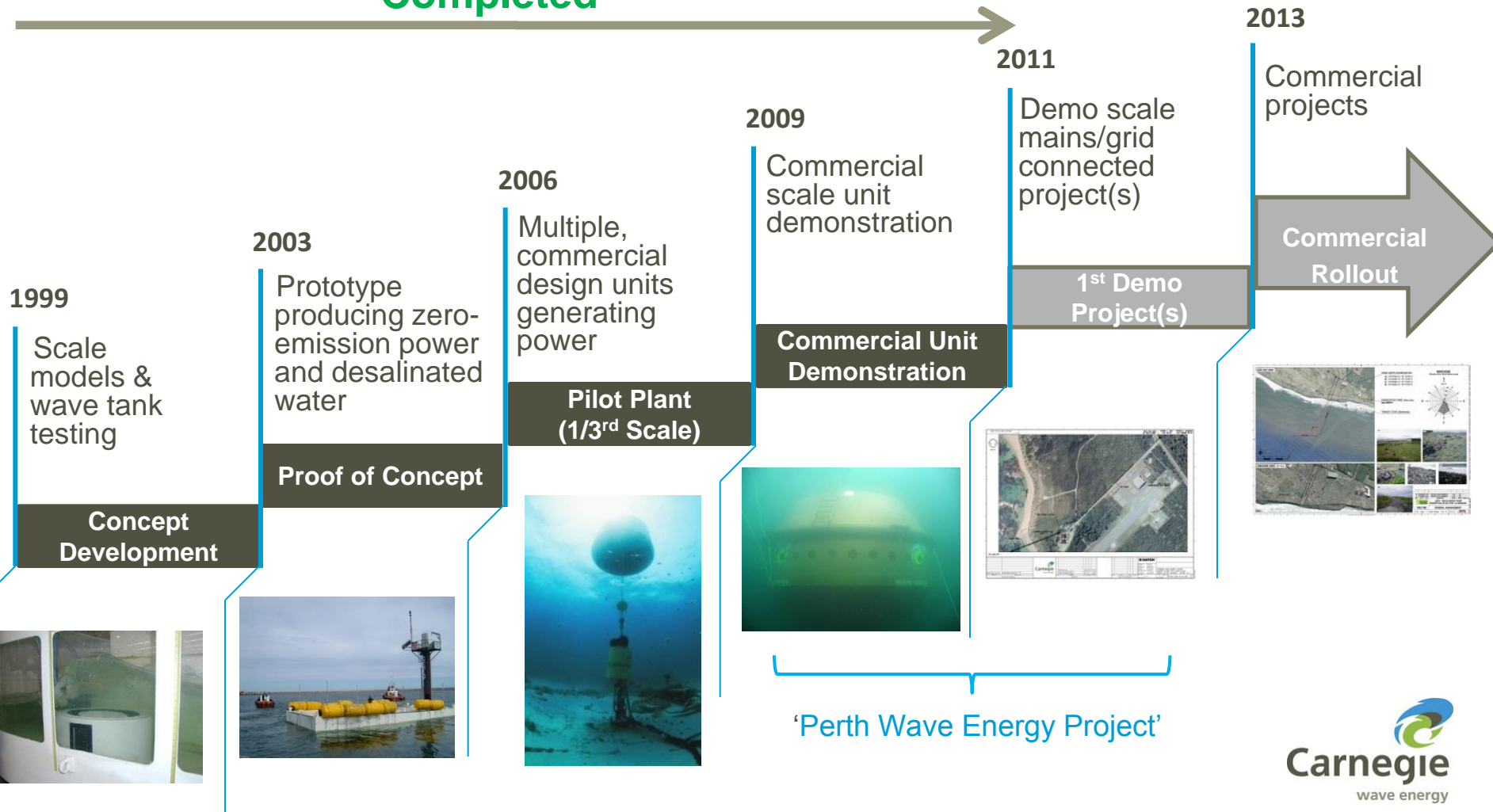
CONCEPT



Wave-driven pumps → Pipelines deliver high pressure water ashore → Driving proven hydroelectric generators

CETO Development Pathway

Completed



In-Ocean Prototype Testing

- Carnegie's Wave Energy Test Facility, Western Australia

Perth City



**CETO
offshore test
area**



Private wave energy research facility

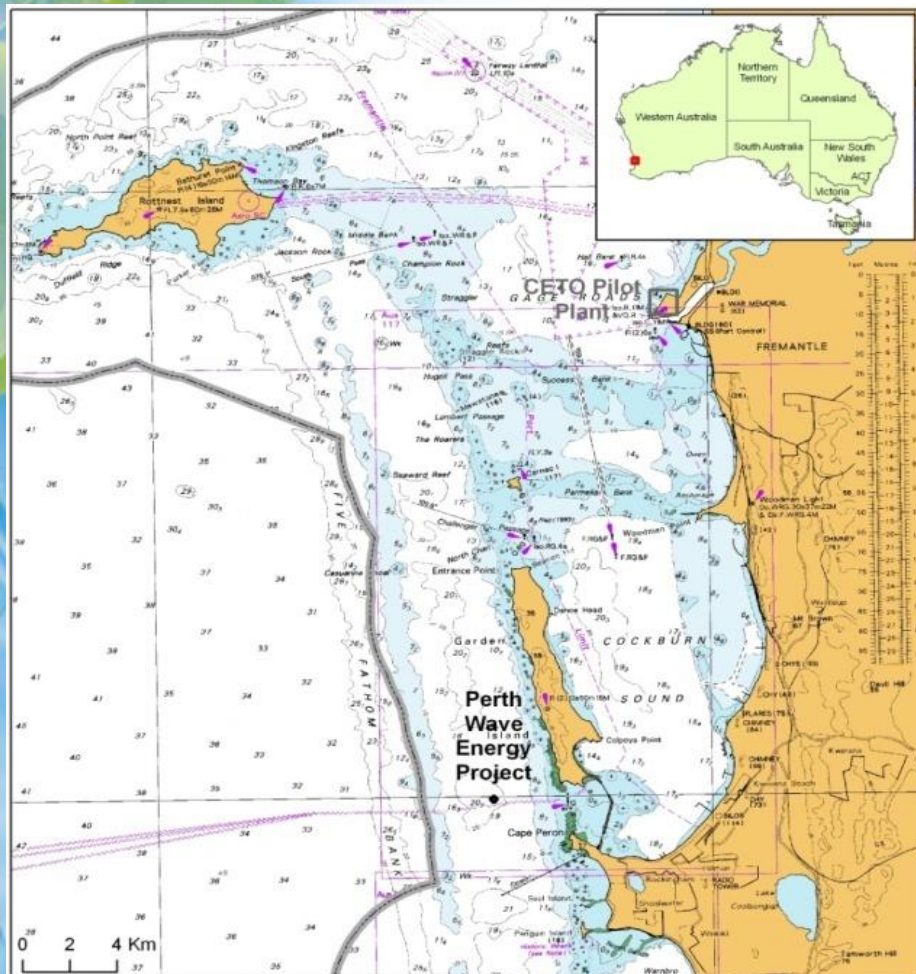


**CETO subsea
pipeline**



Perth Wave Energy Project

- Stage 1 commercial scale unit (CETO3) – complete
- Stage 2 Grid Connected Array – detailed design and approvals underway
- 3km offshore from **Australia's largest naval base** (HMAS Stirling)
- **Department of Defence** MoU for the development, power & water offtake and siting



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CETO3 Commercial Scale Unit



Commercial Scale CETO components (above)

Commercial Scale CETO testing in Western Australia (right)



CETO3 Deployment and Operation



Fully submerged Commercial Scale CETO unit
in operation next to deployment barge

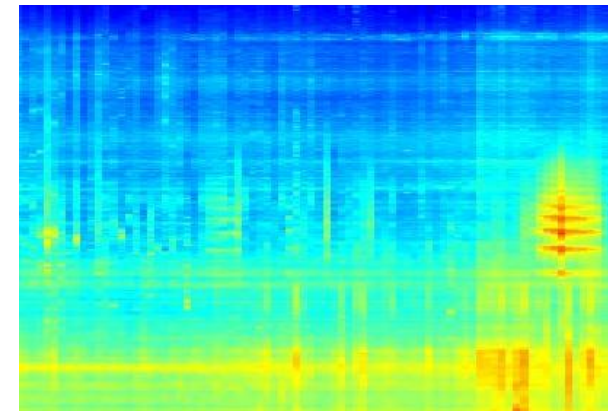
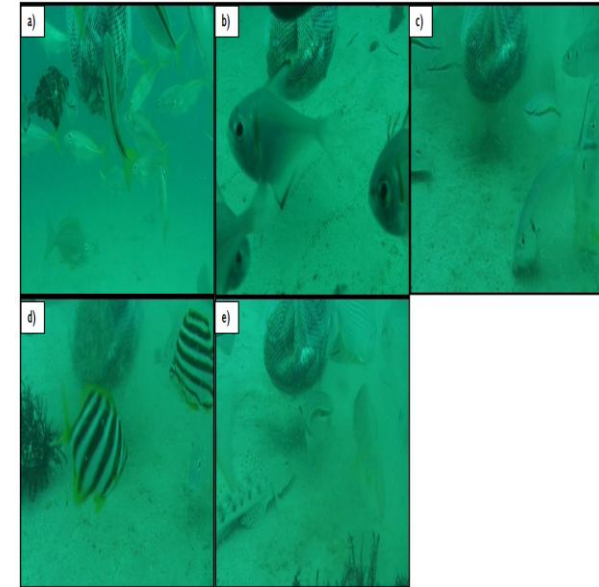
CETO3 Results & Verification

- Proof of function at commercial scale
- Verification of the modelled motions
- Independent Verification of the following:
 - Measured CETO 3 Capacity of 78kW
 - Sustained Pressures of 77bar (relevant to desalination)
 - Time domain model
 - Peak CETO 3 Capacity of 200kW (+25% and -40%)

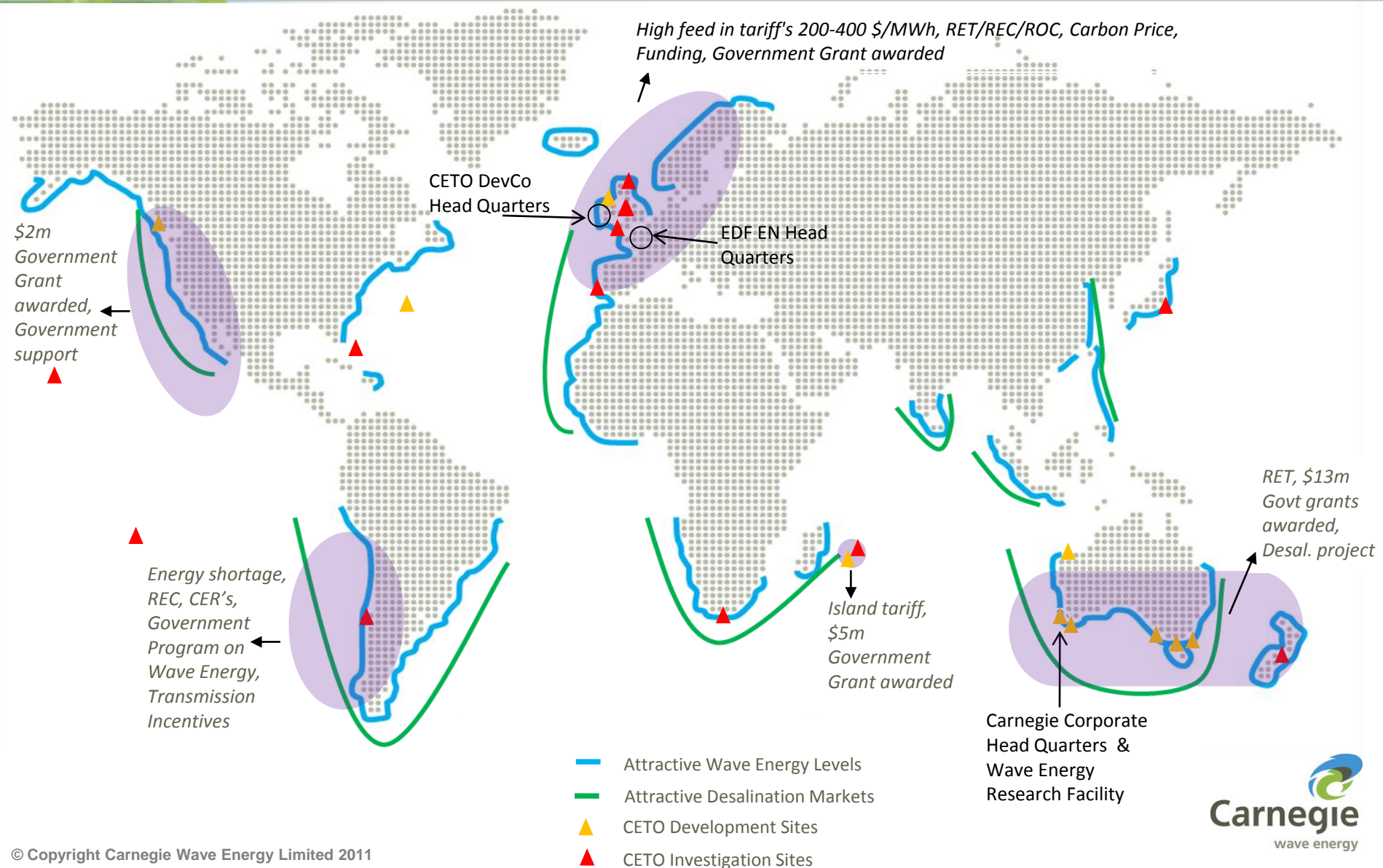


Environmental Monitoring

- Environmental management plan & extensive stakeholder consultation
- Underwater video & noise monitoring surveys before during and after CETO3 deployment
- Analysis undertaken by Curtin University Centre for Marine Science and Technology and consultants RPS Environment
 - no significant environmental impacts identified
 - 27 fauna species found including one shark, one ray, 24 teleost and one crustacean species
 - Potential for a CETO array to increase the biodiversity of a habitat otherwise poor in marine fauna.
 - Identified means of further reducing or eliminating potential environmental impacts

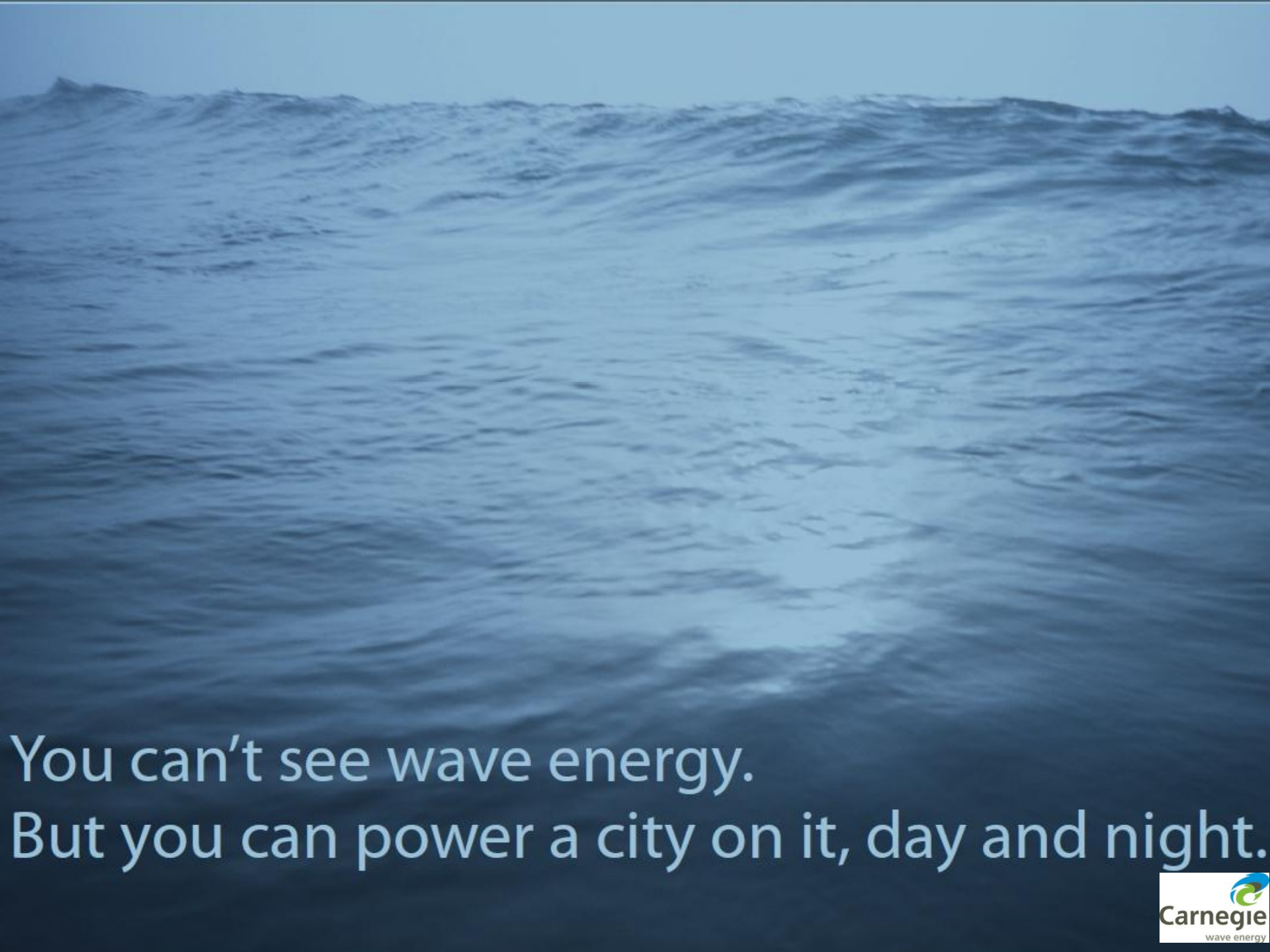


Targeted Global Project Pipeline





- CETO Projects underway:
 - Reunion Island. 2-15MW Project, REFIT \$300/MWh, \$5M Government funding awarded, JV with EDF EN, DCNS providing EPCM
 - Bermuda. Project with Triton Renewable Energy for power and desalinated water
 - French Polynesia. Discussions with local developer for power project

The image shows a wide, continuous stretch of ocean with small, rhythmic waves. The water is a deep blue, and the sky above is a lighter, clear blue. The perspective is from a low angle, looking across the water towards the horizon.

You can't see wave energy.
But you can power a city on it, day and night.